Entered November 2, 1979 Jak

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 6664 Order No. R-6174

APPLICATION OF DOYLE HARTMAN FOR AN UNORTHODOX WELL LOCATION, TWO NON-STANDARD PRORATION UNITS, AND APPROVAL OF INFILL DRILLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 17, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>2nd</u> day of November, 1979, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Doyle Hartman, seeks approval of a 40-acre non-standard gas proration unit comprising the NW/4 SW/4 of Section 27, Township 25 South, Range 37 East, NMPM, to be dedicated to the El Paso Natural Gas Company's Harrison Well No. 1 and also a 120-acre unit comprising the E/2 SW/4 and SW/4 SW/4 of said Section 27 to be dedicated to a well to be drilled by the applicant at a standard location 660 feet from the South line and 660 feet from the West line of said Section 27.

(3) Applicant further seeks a waiver of existing well spacing requirements and a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of an existing proration unit which cannot be so drained by the existing well. -2-Case No. 6664 Order No. R-6174

(4) That the evidence presented indicates that the aforesaid El Paso Harrison Well No. 1 has not and will not effectively and efficiently drain the SW/4 of said Section 27, and that an additional well on the proration unit, as proposed by the applicant in this case, is necessary to so drain the SW/4 of Section 27.

(5) That the evidence indicates that whereas the average Jalmat gas well in the vicinity of applicant's proposed well will produce approximately 1.464 million MCF, the aforesaid El Paso Harrison Well No. 1 can be expected to produce 1.013 million MCF.

(6) That the difference between the average well's expected ultimate recovery and the El Paso Harrison Well No. 1's expected ultimate recovery, some .451 million MCF, may represent additional gas which will be gained by the drilling of applicant's proposed infill well, but which would otherwise not be recovered.

(7) That the applicant now proposes to drill the subject well at a standard location, and that portion of the application which relates to an unorthodox location should be dismissed.

IT IS THEREFORE ORDERED:

(1) That a 40-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the NW/4 SW/4 of Section 27, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to El Paso Natural Gas Company's Harrison Well No. 1 and also a 120-acre unit comprising the E/2 SW/4 and SW/4 SW/4 of said Section 27 to be dedicated to a well to be drilled at a standard location 660 feet from the South line and 660 feet from the West line of said Section 27 are hereby approved. The authorization for infill drilling granted by this order is an exception to existing well spacing requirements for the Jalmat Gas Pool inasmuch as the drilling of said well is necessary to effectively and efficiently drain that portion of an existing proration unit which cannot be so drained by the existing well.

(2) That that portion of the application relating to an unorthodox location is hereby dismissed.

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(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION Ĥ. Å 11 ŝ JOE D. RAMEY Director

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